

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7074

BILL NUMBER: SB 446

NOTE PREPARED: Feb 14, 2011

BILL AMENDED: Feb 8, 2011

SUBJECT: Use of Public School Property by Charter Schools.

FIRST AUTHOR: Sen. Schneider

FIRST SPONSOR: Rep. Behning

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill establishes a process by which charter schools may lease unused, closed, or unoccupied school buildings that are maintained by school corporations and are not being used for classroom instruction.

Effective Date: July 1, 2011.

Explanation of State Expenditures: (Revised) The Department of Education, "DOE", would have to create a list of unused educational facilities owned by each school corporation and make the list available on the Department's website if the building is not leased or loaned to another entity on July 1, 2011. School would be required to provide DOE with a list of unused school educational buildings by a date set by DOE. The list would be updated annually. Placing the list on the website would not increase costs. DOE would incur some minor costs creating and maintaining the list.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) The bill could reduce the maintenance expenditures on closed or unused school educational buildings if buildings are used and maintained by charter schools. DOE would maintain a list of unused school educational buildings. A charter school would notify DOE of the charter school's intent to use the building. The school corporation would then be required to lease the used school for \$1 a year for a term of the charter school discretion. The charter school could also purchase the building for \$1. A school building on the DOE list for 48 months could be sold or disposed of by the school corporation.

It is unknown how many school buildings are being maintained by school corporations that are not used for educational purposes. The savings are probably minor.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools, charter schools.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.